

June 2004

ECONOMIC AND REVENUE FORECAST

FISCAL YEAR 2004 4th Quarter

WASHINGTON STATE DEPARTMENT OF
Natural Resources
Doug Sutherland - Commissioner of Public Lands

June 2004 ECONOMIC AND REVENUE FORECAST

FISCAL YEAR 2004 4TH QUARTER

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June 2004

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ACKNOWLEDGMENTS

The quarterly revenue forecast is a collaborative effort. It is the product of information provided by private individuals and organizations, and DNR staff. Without their contributions this forecast could not be completed.

Purchasers of timber from DNR-managed lands provide a critical component of this forecast. These busy individuals and companies willingly provide information that is essential to the process of estimating harvest volumes.

Many DNR staff also contribute to the forecast. They provide data or forecasts of revenue flows for their areas of responsibility and make a significant contribution. I especially thank Jon Tweedale and Paul Penhallegon in this regard. Also, other DNR staff have provided valuable and constructive feedback on drafts of this forecast report, including Phil Aust, Jim Smego, Dorian Smith, Jon Tweedale, and Bob van Schoorl.

I am grateful to Billie-Lynn Wyckoff for help and initiative in conducting the purchaser survey efficiently and effectively. Credit also goes to Billie-Lynn for the cover design.

Bruce P. Glass
June 14, 2004

PREFACE

This forecast projects revenues from Washington state trust lands managed by the Department of Natural Resources. These monies are distributed to accounts that support specific management activities on the trust lands from which revenues are expected to be generated. The department revises its forecast quarterly to provide updated information for trust beneficiaries as well as for long-term budgeting purposes.

This forecast covers fiscal years ending June 2004 (FY 2004) through June 2009 (FY 2009). The baseline date for this June 2004 forecast is March 31, 2004, the end of the third quarter of FY 2004. While sales and revenue data are current as of this date, the forecasts are based on the most up-to-date data available at the time of their estimation (i.e., after the baseline date). Macroeconomic and market outlook data are the most up to date available at the time the forecast was written.

Unless otherwise indicated, values are expressed in nominal terms, without adjustment for inflation. Therefore, interpretation of trends in the forecast requires care in separating inflationary changes in the value of money over time from changes attributable to other economic influences.

FORECAST CALENDAR

The forecast calendar for future DNR Economic and Revenue forecasts is shown in the table below. The DNR forecasts provide information that is used in the statewide Washington Economic and Revenue Forecasts carried out by the Office of the Forecast Council. Therefore, the timing for DNR's forecast is determined by the schedule of the statewide forecast, prescribed by RCW 82.33.020. The calendar prescribed by RCW 82.33.020 is reflected in the release date, i.e., when preliminary revenue forecast estimates will be available. Publication of the actual forecast document follows at a later date.

Forecast title	Baseline date	Release date	Publication date (approx.)
September 2004	End Q4, FY 2004	September 17, 2004	September 24, 2004
November 2004	End Q1, FY 2005	November 19, 2004	November 26, 2004
March 2005	End Q2, FY 2005	March 18, 2005	March 25, 2005
June 2005	End Q3, FY 2005	June 22, 2005	June 29, 2005

MAJOR POINTS OF THE JUNE 2004 FORECAST

■ US Macroeconomic Conditions & Trends

- The US economy is growing strongly in an expansion phase.
- The Federal Reserve Bank (FRB) target for the rate at which banks borrow money from each other (the federal funds rate) presently stands at a 40-year low of 1.00%.
- Inflationary pressures are building in the US economy, especially for industrial commodities and driven in part by strong foreign demand and, in particular, from The People's Republic of China (PRC). These pressures increase the likelihood that the FRB will raise the federal funds rate before the end of the year, to a target rate of about 1.6% by the end of calendar year (CY) 2004, and 3.1% by the end of CY 2005. The FRB may start to increase rates as early as June, and long-term rates are already rising in anticipation.
- A key concern for the US economy remains whether the economic expansion presently underway will be sustainable in the face of the following pressures:
 1. Intermediate- and long-term interest rates: Increasing federal government borrowing to finance an expanding budget deficit is likely to contribute upward pressure to interest rates, particularly if the deficits persist. How will rising interest rates affect investment, and will already high (consumer) debt loads be supportable concurrent with income growth? Will economic growth offset these and other factors, particularly after tax cut effects have been exhausted?

2. Low operating rates: Overcapacity and increasingly unrestricted international trade flows suggest the domestic economy could face a lengthy adjustment period, as resources are reallocated economy-wide.

- The May 2004 Blue Chip consensus estimate of real gross domestic product (GDP) growth for CY 2004 has held fairly steady at about 4.6% since the beginning of the year. The May 2004 consensus estimate of real GDP growth for CY 2005 stands at 3.8%, little changed since January 2004.

■ Japanese Macroeconomic Conditions & Trends

- The May 2004 Blue Chip consensus anticipates real GDP growth will be positive in both CY 2004 (3.1%) and CY 2005 (2.2%), benefiting from export-led economic growth, in part associated with depreciation of the US dollar against the Japanese yen and increased demand for capital goods from the PRC. Signs are also emerging of domestic support for Japan's economic recovery, in the forms of improving consumer demand and business investment.
- Japan continues to experience deflationary pressures, reflected in May 2004 Blue Chip consensus estimates of inflation at the consumer price level, i.e., -0.2% and 0.1% for CY 2004 and CY 2005 respectively (following -0.9% in CY 2002 and -0.2% in CY 2003).

■ Implications of Macroeconomic Conditions for Forecast

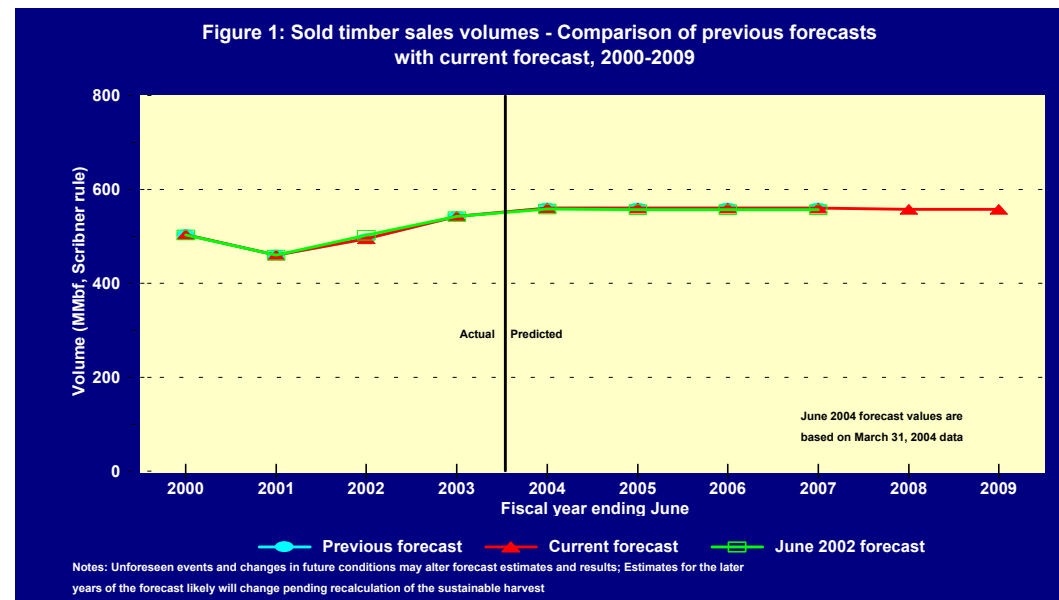
- US house construction is at an historical high, with CY 2003 starts at a level last observed in the late 1970s. For this forecast, housing starts are expected to decline through CY 2004, from a CY 2003 peak of about 1.85 million to a low of about 1.65 million in CY 2005 (seasonally adjusted rates). This cyclical downturn in housing starts will be largely driven by increases in interest rates, i.e., housing affordability is

expected to decline, with increasing costs from rising interest rates more than offsetting increasing income for the next few years. Other factors also likely to play significant roles in this cyclical downturn include rising (new) home prices, and exhaustion of pent-up housing demand.

- US repair and remodeling expenditures are also expected to remain at relatively high levels compared with prior years, following a similar trend to housing starts, i.e., exhibiting a cyclical downturn lagging the housing start downturn by about a year.
- Japanese housing starts are expected to decline from about 1.15 million/year in CY 2003 to about 1.07 million per year in CY 2006. Whether this anticipated decline results in reduced export demand for US wood products, in large part will likely depend on how far the US dollar depreciates against the Japanese yen (and other major currencies).
- Long-term changes in trade flows for raw materials and finished products are following shifts in manufacturing capacity for wood products and their substitutes, with capacity moving out of Japan and North America to other countries. In particular, the importance of the PRC as both a market and regional processing center is expected to increase, the more so given increased construction activity in advance of the 2008 Olympic Games (in Beijing). Expectations of growing wood consumption in the PRC may be tempered by policy measures currently being implemented to slow economic growth.

■ **Sold Timber Sale Volumes:** Compared with the February 2004 forecast, sold target timber sale volumes remain unchanged (Figure 1, Table 1).

- Sales volume estimates for later years of the forecast likely will change following recalculation of the sustainable harvest plan. The Board of Natural Resources (BNR) is presently slated to consider adoption of the recalculated sustainable harvest during summer of CY 2004. While the BNR has not yet adopted a specific alternative, potential impacts on the revenue forecast are described in the appendix to this forecast, based on implementing a 'preferred alternative' as it was identified in the draft Final Environmental Impact statement (<http://www.dnr.wa.gov/htdocs/fr/sales/sustainharvest/sustainharvest.html>).

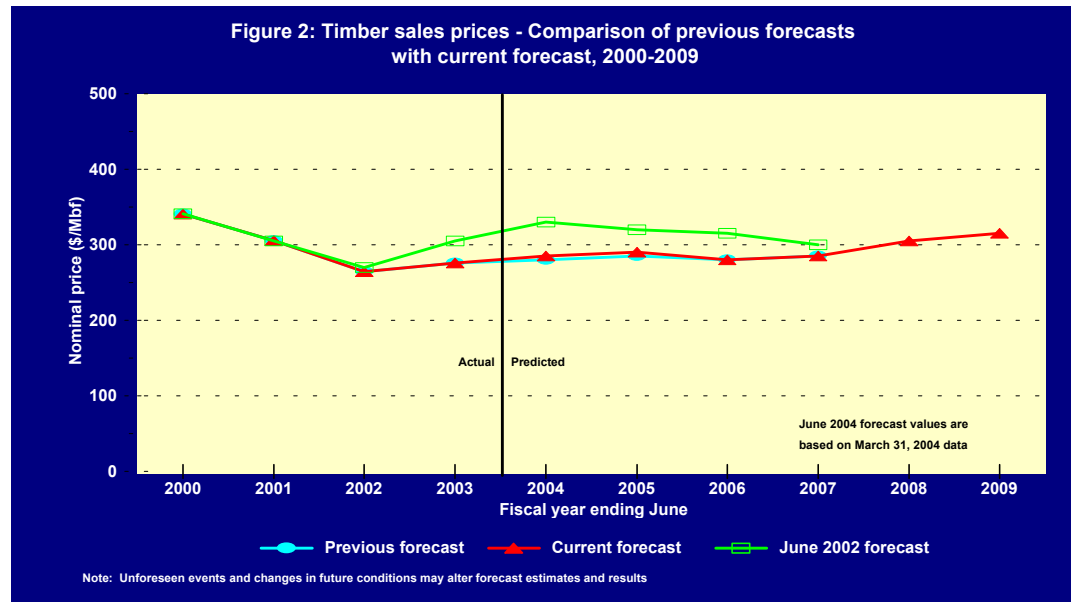


- **Timber Sale Prices:** Compared with the February 2004 forecast, estimated timber prices are virtually unchanged for FY 2004 through FY 2007 (Figure 2, Table 1).

- As a generic indicator of current market conditions, softwood lumber nominal prices have declined from \$345/Mbf in March 2002 to a low of \$271/Mbf in November 2002 (Random Lengths framing lumber composite price index). After languishing at about the \$285/Mbf level, prices started to rise in June 2003, peaking at \$375/Mbf in September 2003. By December 2003 the composite price index had declined to \$327/Mbf, but since then has increased to \$431/Mbf in April 2004. These recent price spikes likely reflect seasonal factors (especially inventory stocks) rather than market fundamentals. Note that in real terms, the composite price has been following a declining trend since at least 1993.
- Near-term outlook for DNR timber sales prices:

Seasonal changes aside, look for flat stumpages. Salvage of damaged trees and harvest from stand treatment to reduce fire hazard may limit upward price movement (e.g., salvage in the wake of wildfire and insect damage in the western USA and BC). Also, depreciation of the US dollar against the Canadian dollar has not yet materially reduced imports of softwood logs and lumber from Canada, despite the tariffs and duties imposed on Canadian-sourced lumber.
- Long-term outlook for DNR timber sales prices:

At best, real (i.e., inflation-adjusted) softwood stumpages are likely to remain fairly constant over the forecast period, assuming estimates of future North American softwood timber harvest volume prove correct.

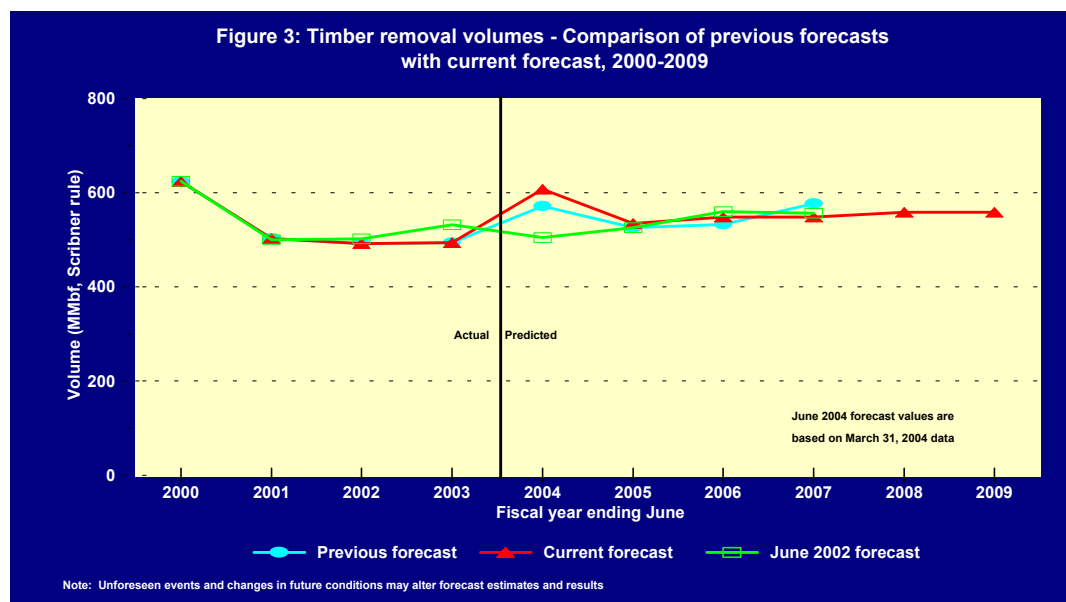


- Factors contributing to the outlook for forecast timber sales prices include:
 1. Overcapacity in the western North American softwood sawmilling industry, much of which is marginal in character, i.e., capacity that moves in and out of production in response to price, tending to make softwood lumber market price rallies short-lived;
 2. Historically high levels of softwood log imports from Canada into the western USA, which tend to dilute purchaser interest in sales offered by the department and depress prices;
 3. Softwood lumber imports into the USA, particularly from countries other than Canada, and especially from plantation sources;
 4. Competition in export markets--particularly in Japan--for both softwood logs and lumber, increasing the supply of these products in the domestic (US) market;
 5. Substitution of both (non-solid) wood and non-wood products for solid wood products, especially in engineering end-use applications;

6. A trend towards increased utilization and availability of small-diameter logs, particularly from private lands; and
7. A reduction in the price premium obtained for the large-diameter logs that typically make up a large proportion of DNR timber sales.

■ **Timber Removal Volumes:** Compared with the February 2004 forecast, estimated timber removal volumes are higher for FY 2004 and FY 2005, but otherwise are virtually unchanged (Figure 3, Table 1).

- Timber removal volumes continue to increase, prompted by seasonal factors and the recent high levels of housing starts.
- In the near term, purchasers collectively expressed an intent to increase removals from uncut timber under contract. Hence removal estimates for FY 2004 through FY 2006 were revised upward. This intent is also consistent with recently observed increases in lumber prices, prompted in part by inventory replenishment. Given the recent strength observed in US residential construction activity, removal intentions expressed through the purchaser survey may understate actual removals.
- The trend in removal volumes also anticipates a cyclical slowdown in residential construction activity, occurring (late?) in FY 2005. However, housing starts are still expected to remain high by historical standards.
- Increased use of substitute products--especially imported softwood lumber and logs, and exportable log and lumber volume--have tended to displace domestic demand for sawtimber that might otherwise have been drawn from



DNR-managed lands. This trend is expected to continue, and is factored into the forecast.

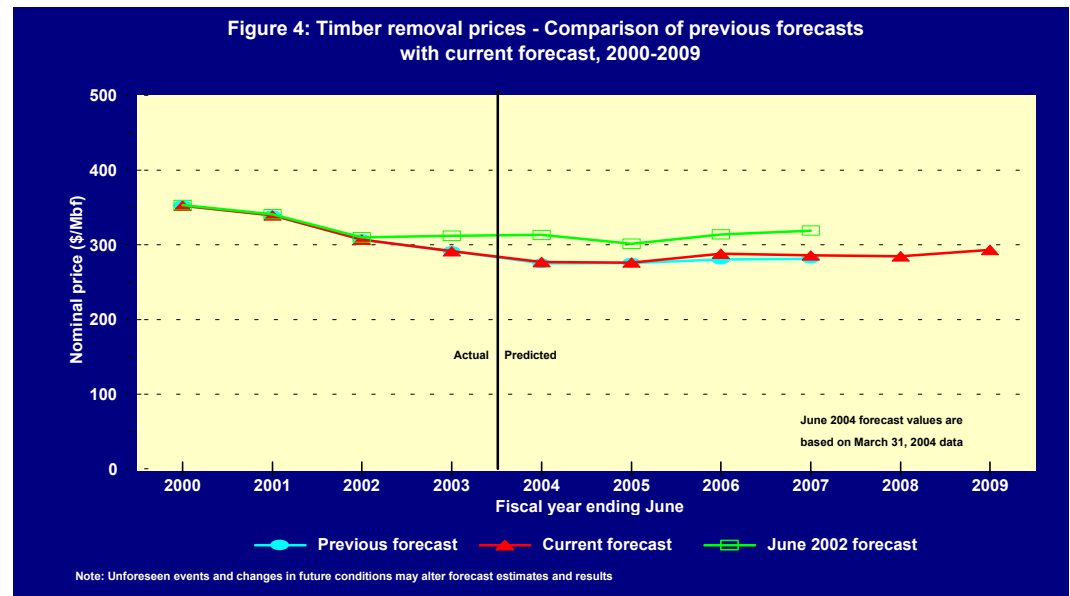
- Removal volume estimates assume the department will meet its sold timber volume targets for each year in the forecast period.

■ **Projected Uncut Inventory Under Contract:** Compared with the February 2004 forecast, projected uncut timber under contract at the end of FY 2009 is 61 MMbf lower in volume, and nearly \$17 million lower in value (Table 1), reflecting purchasers' harvest intentions and the department's current timber sales plan.

- At the end of FY 2009, uncut inventory under contract is estimated to be 762 MMbf, worth \$215 million (\$281/Mbf average), compared with 678 MMbf, worth \$181 million (\$268/Mbf average) at the end of the March 2004 quarter (Table 1).

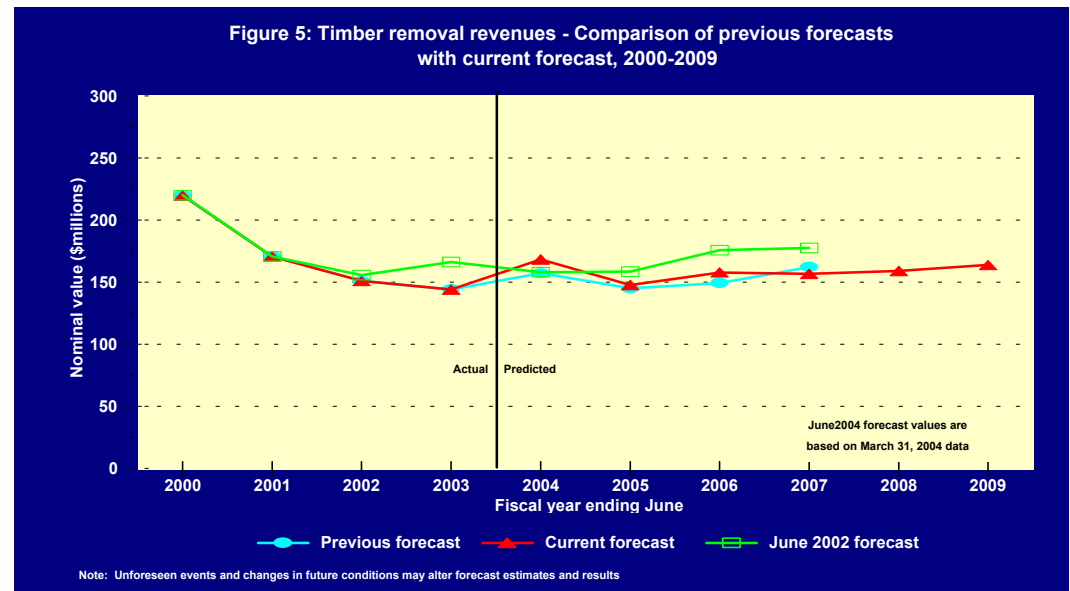
- **Timber Removal Prices:** Compared with the February 2004 forecast, timber removal prices are virtually unchanged over the forecast period (Figure 4, Table 1).

- Removal prices for FY 2004 through FY 2009 are estimated to average about \$284/Mbf.



- **Timber Removal Revenues:** Compared with the February 2004 forecast, timber removal revenues are about \$11 million, \$3 million, and \$8 million higher (about 7%, 2%, and 6%) for FY 2004, 2005, and 2006 respectively, and little changed for subsequent years in the forecast period (Figure 5, Tables 1 & 2).

- Compared with the July-March period of FY 2003, timber removals for the same period in FY 2004 are some \$24 million (23%) higher, reflecting higher than anticipated harvest in the short term.
- Changes in estimated timber removal revenues reflect purchasers' increased harvest intentions, responding to high levels of construction activity.

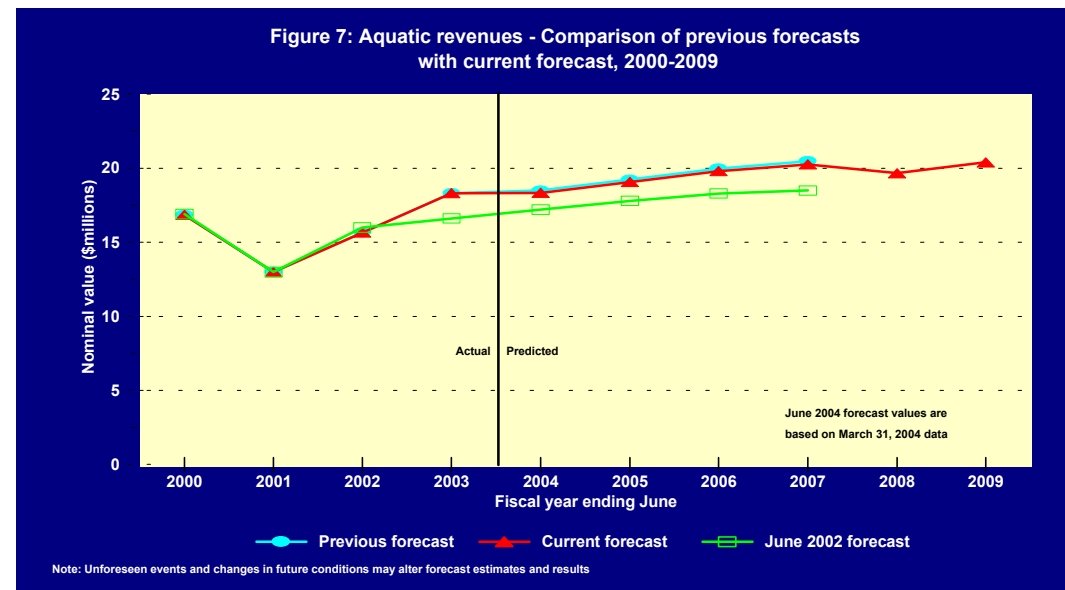
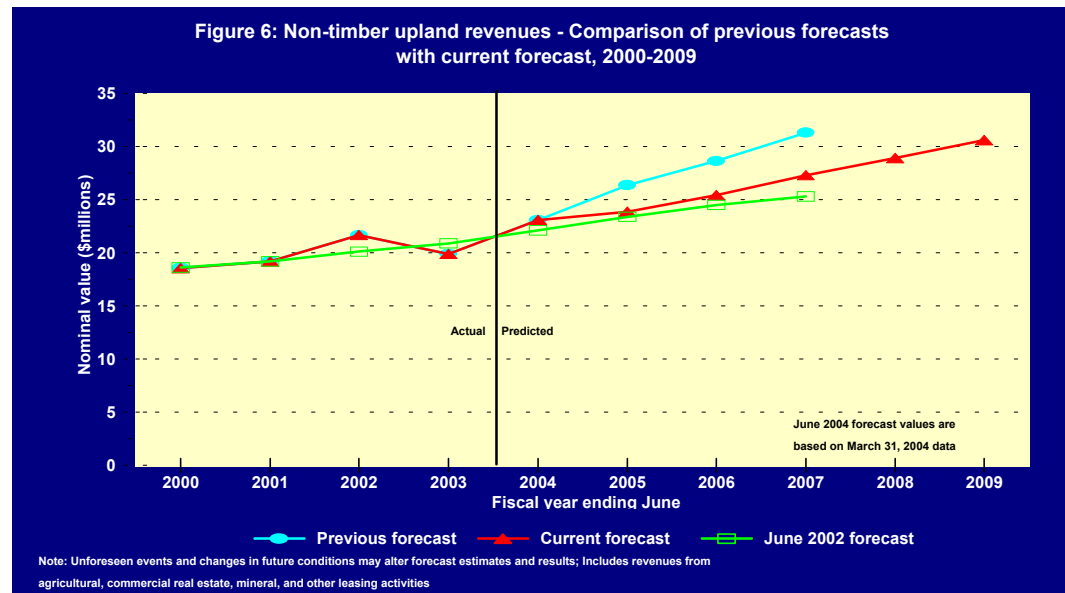


- **Non-timber Upland Revenues:** Compared with the February 2004 forecast, estimates of non-timber upland revenues are substantially reduced, despite near-term strengthening of prices for key agricultural commodities, i.e., apples, wheat, and beef (Figure 6, Table 2).

- Reductions in revenue estimates range from about \$1 million to \$4 million (2% to 13%) over the forecast period.
- Reduced revenue estimates reflect deferral of planned commercial property acquisitions.

- **Aquatic Revenues:** Compared with the February 2004 forecast, aquatic revenues are virtually unchanged for each year of the forecast period (Figure 7, Table 2).

- Forecast aquatic revenues assume future revenues will follow past revenue trends, and explicitly include selected high-value future revenue streams with a high certainty of realization.
- The decline in revenues in FY 2008 is due to the end of payments for a fiber optic cable easement.
- Forecast estimates do not take into account factors with uncertain, though potentially major, revenue impacts (e.g., revisions to geoduck harvest levels, and biological factors such as green crab infestation and paralytic shellfish poisoning).

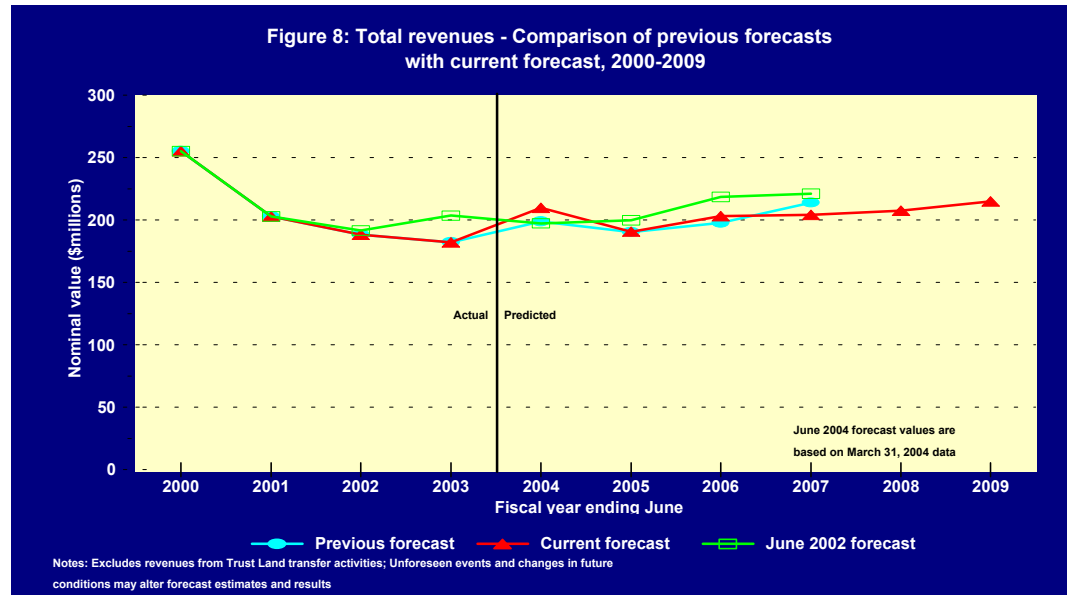


■ **Total Revenues:** Compared with the February 2004 forecast, total revenues are forecast to be nearly \$11 million higher in FY 2004, virtually unchanged in FY 2005, some \$5 million higher in FY 2006, and nearly \$10 million lower in FY 2007 (Figure 8, Table 2). These increases are mostly attributable to changes in estimated timber removals, including purchasers' timber harvest intentions.

- For this June 2004 forecast, total revenues are forecast to increase to nearly \$210 million in FY 2004 from over \$182 million in FY 2003 (excluding Trust Land Transfers). Total revenues are then forecast to decrease to \$191 million in FY 2005, before increasing through the remainder of the forecast period to reach over \$222 million in FY 2009.
- Revenues to trust beneficiaries from the resource component of Trust Land Transfers are not included in the above revenue estimates. These revenues are expected to reach about \$42.8 million during FY 2004 and FY 2005, i.e., \$18.4 million and \$24.4 million respectively (Footnote 1, Table A2).
- Beneficiary and management revenues follow the same trend as total revenues (Table A2).

■ **Some Uncertainty Caveats:**

- Target sold timber sale volumes for the later years of the forecast likely will change as a result of the recalculation of the sustainable harvest for DNR-managed trust lands.
- A program for implementing the recalculated sustainable harvest from DNR-managed trust lands is currently being developed. The potential for litigation and fiscal hurdles



make the timing of this implementation program subject to uncertainty.

- The duration of the current upturn in the US economy, after the effects of one-time stimulatory factors (e.g., relatively low interest rates, high federal government spending) fade and government debt-financing needs emerge.
- Market impacts of changes in timber supply from outside the Pacific Northwest region are expected to contribute to increasingly competitive--and volatile--domestic and foreign lumber and sawtimber markets, e.g., foreign log and lumber supplies, substitutes for solid wood products. These impacts may be tempered (or exacerbated) by exchange rate movements.
- Over time, and as appropriate, revenue impacts of operational changes now undertaken by the department's timber sales program and nontimber programs are factored into the forecast.

Table 1a: Projected trust land timber sales, removals and revenues

Fiscal year	2003	Actual FY 2004 to 3/31/2004	Projected 2004	Projected 2005	Projected 2006	Projected 2007	Projected 2008	Projected 2009
Sold timber sales								
Volume (mmbf)	543	370	560	560	560	560	557	557
Price (\$/mbf)	\$276	\$280	\$285	\$290	\$280	\$285	\$305	\$315
Ending uncut inventory under contract								
Volume (mmbf)	773	678	725	750	762	774	773	771
Value (\$millions)	\$209.5	\$181.4	\$200.8	\$215.5	\$214.5	\$217.5	\$228.5	\$240.1
Price (\$/mbf)	\$271	\$268	\$277	\$287	\$281	\$281	\$296	\$311
Timber removals								
Volume (mmbf)	494	454	608	535	548	548	559	559
Price (\$/mbf)	\$291	\$285	\$277	\$276	\$288	\$286	\$285	\$293
Timber removal revenue (\$millions)	\$144.0	\$129.3	\$168.3	\$147.7	\$157.8	\$156.6	\$159.0	\$163.9

Note: Totals may not add due to rounding

Table 1b: Change from previous forecast

Fiscal year	2003	Projected 2004	Projected 2005	Projected 2006	Projected 2007	Projected 2008	Projected 2009
Sold timber sales							
Volume (mmbf)	0	0	0	0	0	0	0
Price (\$/mbf)	\$0	\$5	\$5	\$0	\$0	\$0	(\$15)
Ending uncut inventory under contract							
Volume (mmbf)	0	(36)	(45)	(61)	(49)	(50)	(52)
Value (\$millions)	\$0.0	(\$8.3)	(\$5.5)	(\$16.8)	(\$13.8)	(\$2.9)	\$8.7
Price (\$/mbf)	\$0	\$2	\$10	\$0	(\$0)	\$15	\$30
Timber removals							
Volume (mmbf)	0	36	9	15	(28)	(1)	(0)
Price (\$/mbf)	\$0	\$2	\$0	\$8	\$4	\$2	\$9
Timber removal revenue (\$millions)	\$0.0	\$11.1	\$2.8	\$8.5	(\$5.6)	\$0.8	\$5.2

Note: Totals may not add due to rounding

Table 2a: Projected trust land revenue by source (\$millions)

Fiscal year	2003	Actual FY 2004 to 3/31/2004	Projected 2004	Projected 2005	Projected 2006	Projected 2007	Projected 2008	Projected 2009
Timber removal revenue	\$144.0	\$129.3	\$168.3	\$147.7	\$157.8	\$156.6	\$159.0	\$163.0
Agricultural and mineral revenue	\$13.1	\$9.5	\$13.6	\$14.9	\$15.4	\$16.3	\$16.9	\$17.0
Commercial real estate revenue	\$6.8	\$5.9	\$9.5	\$9.0	\$10.0	\$11.0	\$12.0	\$13.0
Aquatic revenue	\$18.3	\$12.1	\$18.3	\$19.1	\$19.8	\$20.3	\$19.7	\$20.0
Trust land transfer (resource value)	\$25.1	\$11.2	\$18.4	\$24.4	\$0.0	\$0.0	\$0.0	\$0.0
Total revenue, excluding trust land transfer	\$182.2	\$156.6	\$209.7	\$190.7	\$203.0	\$204.2	\$207.6	\$214.0

Note: Totals may not add due to rounding

Table 2b: Change from previous forecast (\$millions)

Fiscal year	2003	Projected 2004	Projected 2005	Projected 2006	Projected 2007	Projected 2008	Projected 2009
Timber removal revenue	\$0.0	\$11.1	\$2.8	\$8.5	(\$5.6)	\$0.8	\$5.0
Agricultural and mineral revenue	\$0.0	\$0.0	(\$0.5)	(\$0.7)	(\$1.0)	\$0.2	\$0.0
Commercial real estate revenue	\$0.0	\$0.0	(\$2.0)	(\$2.5)	(\$3.0)	(\$1.1)	(\$1.0)
Aquatic revenue	\$0.0	(\$0.1)	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.0)
Trust land transfer (resource value)	(\$6.2)	(\$2.8)	\$3.2	\$0.0	\$0.0	\$0.0	\$0.0
Total revenue, excluding trust land transfer	\$0.0	\$10.9	\$0.1	\$5.1	(\$9.8)	(\$0.4)	\$4.0

Note: Totals may not add due to rounding

Table A1: Projected trust revenues by fund and fiscal year, February 2004 forecast, 2002-2009 (\$millions)

Fiscal year	2002	2003	Actual 2004 to 12/31/03	Projected 2004	Projected 2005	Projected 2006	Projected 2007	Projected 2008	Projected 2009
MANAGEMENT ACCOUNTS									
041 RMCA - UPLAND	\$22.1	\$19.4	\$12.4	\$22.8	\$23.1	\$24.9	\$27.3	\$26.8	\$27.4
041 RMCA - AQUATIC	\$6.4	\$7.8	\$3.6	\$7.7	\$8.1	\$8.4	\$8.6	\$8.3	\$8.7
014 FDA	\$19.8	\$20.2	\$12.2	\$20.4	\$18.4	\$18.0	\$19.1	\$18.3	\$18.1
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	\$48.3	\$47.4	\$28.2	\$51.0	\$49.6	\$51.2	\$55.0	\$53.4	\$54.2
CURRENT FUNDS									
113 COMMON SCHOOL CONSTRUCTION	\$44.1	\$41.0	\$25.5	\$48.7	\$50.3	\$53.7	\$59.5	\$58.2	\$58.3
999 FOREST BOARD COUNTIES	\$58.5	\$58.6	\$37.7	\$61.7	\$52.9	\$53.0	\$57.3	\$55.9	\$55.9
001 GENERAL FUND	\$4.3	\$4.1	\$2.6	\$4.4	\$4.2	\$3.6	\$3.2	\$2.6	\$2.3
348 UNIVERSITY BOND RETIREMENT	\$0.5	\$0.8	\$0.4	\$0.7	\$0.6	\$1.0	\$1.1	\$1.2	\$1.2
347 WSU BOND REPAYMENT	\$0.8	\$0.8	\$0.2	\$0.8	\$0.9	\$1.0	\$1.0	\$1.0	\$1.1
042 CEP&RI	\$3.9	\$4.3	\$3.9	\$6.0	\$3.8	\$3.8	\$4.3	\$4.0	\$4.2
036 CAPITOL BUILDING CONSTRUCTION	\$7.6	\$5.2	\$3.1	\$4.9	\$7.0	\$7.7	\$8.1	\$7.8	\$8.6
061/3/5/6 NORMAL (CWU, EWU, WWU, TESC) SCHOOL	\$0.1	\$0.1	\$0.0	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
OTHER FUNDS	\$0.2	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
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	\$119.9	\$114.8	\$73.5	\$127.4	\$119.9	\$124.0	\$134.7	\$130.9	\$131.7
AQUATIC LANDS ENHANCEMENT ACCOUNT									
02R AQUATIC LANDS	\$9.3	\$10.6	\$5.1	\$10.7	\$11.2	\$11.6	\$11.9	\$11.6	\$12.0
PERMANENT FUNDS									
601 AGRICULTURAL COLLEGE	\$1.0	\$3.0	\$0.8	\$2.2	\$2.8	\$3.5	\$4.1	\$3.8	\$3.3
604 NORMAL SCHOOL PERMANENT	\$4.0	\$2.7	\$1.8	\$2.9	\$2.5	\$2.7	\$2.8	\$2.5	\$2.5
605 COMMON SCHOOL PERMANENT	\$0.7	\$0.5	\$0.1	\$0.4	\$0.5	\$0.6	\$0.7	\$0.6	\$0.5
606 SCIENTIFIC PERMANENT	\$4.3	\$2.9	\$2.0	\$3.6	\$3.7	\$3.9	\$4.5	\$5.0	\$5.7
607 UNIVERSITY PERMANENT	\$0.7	\$0.3	\$0.3	\$0.5	\$0.3	\$0.3	\$0.3	\$0.3	\$0.4
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	\$10.7	\$9.4	\$5.0	\$9.7	\$9.8	\$11.0	\$12.3	\$12.1	\$12.5
TOTAL TO TRUST BENEFICIARY FUNDS	\$139.9	\$134.8	\$83.6	\$147.8	\$140.9	\$146.6	\$159.0	\$154.6	\$156.2
TOTAL ALL FUNDS	\$188.3	\$182.2	\$111.8	\$198.8	\$190.5	\$197.9	\$213.9	\$208.0	\$210.5

Notes:

- 1 - Excludes interest and trust land transfer monies, and includes operating transfers. Trust Land Transfer monies amounted to \$37.3 million in FY 1994-95, \$21.8 million in FY 1998-99, \$56.06 million in FY 2000-01, \$40.0 million in FY 2002-03 (provisional), and 42.8 million (estimate) in FY 2004-05, payable to the Common School Construction Fund.
- 2 - Upland RMCA does not include land bank transactions.
- 3 - Revenues reflect cash earnings from management activities only. Revenues from interest payments, fires assessments, permits, fees, etc. are not included.
- 4 - Totals may not add due to rounding.
- 5 - Projected values are forecast estimates and should be interpreted in conjunction with the accompanying forecast document. Unforeseen events and changes in future conditions may alter forecast estimates and results.
- 6 - Data for all years are cash estimates, and not directly comparable with accrual figures presented in DNR's Annual Reports.

Table A2: Projected trust revenues by fund and fiscal year, June 2004 forecast, 2002-2009 (\$millions)

Fiscal year	2002	2003	Actual 2004 to 03/31/04	Projected 2004	Projected 2005	Projected 2006	Projected 2007	Projected 2008	Projected 2009
MANAGEMENT ACCOUNTS									
041 RMCA - UPLAND	\$22.1	\$19.4	\$17.7	\$23.8	\$23.5	\$24.2	\$25.4	\$26.8	\$28.2
041 RMCA - AQUATIC	\$6.4	\$7.8	\$4.8	\$7.6	\$7.9	\$8.2	\$8.4	\$8.1	\$8.4
014 FDA	\$19.8	\$20.2	\$17.2	\$22.0	\$18.0	\$19.6	\$18.7	\$18.2	\$18.5
	-----	-----	-----	-----	-----	-----	-----	-----	-----
	\$48.3	\$47.4	\$39.7	\$53.4	\$49.4	\$51.9	\$52.4	\$53.1	\$55.1
CURRENT FUNDS									
113 COMMON SCHOOL CONSTRUCTION	\$44.1	\$41.0	\$36.0	\$50.9	\$51.0	\$52.8	\$55.4	\$57.8	\$59.2
999 FOREST BOARD COUNTIES	\$58.5	\$58.6	\$51.6	\$65.7	\$53.1	\$59.3	\$56.4	\$55.5	\$57.0
001 GENERAL FUND	\$4.3	\$4.1	\$4.3	\$5.3	\$3.3	\$3.3	\$3.0	\$2.5	\$2.3
348 UNIVERSITY BOND RETIREMENT	\$0.5	\$0.8	\$0.5	\$0.7	\$0.4	\$0.9	\$1.2	\$1.5	\$1.7
347 WSU BOND REPAYMENT	\$0.8	\$0.8	\$0.8	\$0.8	\$0.9	\$1.0	\$1.0	\$1.1	\$1.1
042 CEP&RI	\$3.9	\$4.3	\$5.2	\$6.5	\$3.4	\$3.4	\$3.7	\$4.0	\$4.3
036 CAPITOL BUILDING CONSTRUCTION	\$7.6	\$5.2	\$3.5	\$4.9	\$7.6	\$7.9	\$7.4	\$7.9	\$9.1
061/3/5/6 NORMAL (CWU, EWU, WWU, TESC) SCHOOL	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
OTHER FUNDS	\$0.2	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
	-----	-----	-----	-----	-----	-----	-----	-----	-----
	\$119.9	\$114.8	\$102.0	\$134.9	\$119.9	\$128.8	\$128.4	\$130.6	\$134.9
AQUATIC LANDS ENHANCEMENT ACCOUNT									
02R AQUATIC LANDS	\$9.3	\$10.6	\$7.3	\$10.8	\$11.2	\$11.6	\$11.9	\$11.6	\$12.0
PERMANENT FUNDS									
601 AGRICULTURAL COLLEGE	\$1.0	\$3.0	\$1.8	\$2.6	\$2.7	\$3.7	\$4.0	\$4.1	\$3.6
604 NORMAL SCHOOL PERMANENT	\$4.0	\$2.7	\$2.7	\$3.2	\$1.9	\$2.6	\$2.5	\$2.3	\$2.3
605 COMMON SCHOOL PERMANENT	\$0.7	\$0.5	\$0.1	\$0.4	\$0.4	\$0.4	\$0.5	\$0.5	\$0.5
606 SCIENTIFIC PERMANENT	\$4.3	\$2.9	\$2.7	\$3.7	\$5.0	\$3.7	\$4.2	\$5.0	\$6.0
607 UNIVERSITY PERMANENT	\$0.7	\$0.3	\$0.4	\$0.5	\$0.2	\$0.3	\$0.3	\$0.4	\$0.5
	-----	-----	-----	-----	-----	-----	-----	-----	-----
	\$10.7	\$9.4	\$7.7	\$10.5	\$10.2	\$10.6	\$11.5	\$12.3	\$12.9
TOTAL TO TRUST BENEFICIARY FUNDS	\$139.9	\$134.8	\$117.0	\$156.3	\$141.3	\$151.1	\$151.8	\$154.5	\$159.8
TOTAL ALL FUNDS	\$188.3	\$182.2	\$156.6	\$209.7	\$190.7	\$203.0	\$204.2	\$207.6	\$214.9

Notes:

- 1 - Excludes interest and trust land transfer monies, and includes operating transfers. Trust Land Transfer monies amounted to \$37.3 million in FY 1994-95, \$21.8 million in FY 1998-99, \$56.06 million in FY 2000-01, \$40.0 million in FY 2002-03 (provisional), and 42.8 million (estimate) in FY 2004-05, payable to the Common School Construction Fund.
- 2 - Upland RMCA does not include land bank transactions.
- 3 - Revenues reflect cash earnings from management activities only. Revenues from interest payments, fires assessments, permits, fees, etc. are not included.
- 4 - Totals may not add due to rounding.
- 5 - Projected values are forecast estimates and should be interpreted in conjunction with the accompanying forecast document. Unforeseen events and changes in future conditions may alter forecast estimates and results.
- 6 - Data for all years are cash estimates, and not directly comparable with accrual figures presented in DNR's Annual Reports.

Table A3: Change from February 2004 to June 2004 forecast-Projected trust revenues by fund and fiscal year, 2002-2009 (\$millions)

Fiscal year	2002	2003	Projected 2004	Projected 2005	Projected 2006	Projected 2007	Projected 2008	Projected 2009
MANAGEMENT ACCOUNTS								
041 RMCA - UPLAND	\$0.0	\$0.0	\$1.0	\$0.4	(\$0.6)	(\$2.0)	\$0.0	\$0.8
041 RMCA - AQUATIC	\$0.0	\$0.0	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.2)
014 FDA	\$0.0	\$0.0	\$1.6	(\$0.4)	\$1.6	(\$0.4)	(\$0.1)	\$0.4
	-----	-----	-----	-----	-----	-----	-----	-----
	\$0.0	\$0.0	\$2.5	(\$0.2)	\$0.7	(\$2.6)	(\$0.3)	\$0.9
CURRENT FUNDS								
113 COMMON SCHOOL CONSTRUCTION	\$0.0	\$0.0	\$2.2	\$0.7	(\$0.9)	(\$4.0)	(\$0.3)	\$0.9
999 FOREST BOARD COUNTIES	\$0.0	\$0.0	\$4.0	\$0.2	\$6.4	(\$0.9)	(\$0.4)	\$1.1
001 GENERAL FUND	\$0.0	\$0.0	\$0.9	(\$0.9)	(\$0.2)	(\$0.2)	(\$0.1)	(\$0.1)
348 UNIVERSITY BOND RETIREMENT	\$0.0	\$0.0	(\$0.0)	(\$0.2)	(\$0.1)	\$0.0	\$0.4	\$0.5
347 WSU BOND REPAYMENT	\$0.0	\$0.0	\$0.0	(\$0.0)	(\$0.0)	(\$0.0)	\$0.0	\$0.0
042 CEP&RI	\$0.0	\$0.0	\$0.5	(\$0.3)	(\$0.4)	(\$0.6)	(\$0.0)	\$0.2
036 CAPITOL BUILDING CONSTRUCTION	\$0.0	\$0.0	\$0.0	\$0.6	\$0.1	(\$0.7)	\$0.2	\$0.5
061/3/5/6 NORMAL (CWU, EWU, WWU, TESC) SCHOOL	\$0.0	\$0.0	\$0.0	(\$0.0)	(\$0.0)	(\$0.0)	\$0.0	\$0.0
OTHER FUNDS	\$0.0	\$0.0	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)
	-----	-----	-----	-----	-----	-----	-----	-----
	\$0.0	\$0.0	\$7.5	(\$0.0)	\$4.8	(\$6.4)	(\$0.3)	\$3.2
AQUATIC LANDS ENHANCEMENT ACCOUNT								
02R AQUATIC LANDS	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.0)	(\$0.0)
PERMANENT FUNDS								
601 AGRICULTURAL COLLEGE	\$0.0	\$0.0	\$0.4	(\$0.1)	\$0.2	(\$0.1)	\$0.3	\$0.3
604 NORMAL SCHOOL PERMANENT	\$0.0	\$0.0	\$0.4	(\$0.6)	(\$0.1)	(\$0.3)	(\$0.3)	(\$0.2)
605 COMMON SCHOOL PERMANENT	\$0.0	\$0.0	\$0.0	(\$0.1)	(\$0.2)	(\$0.2)	(\$0.1)	(\$0.0)
606 SCIENTIFIC PERMANENT	\$0.0	\$0.0	\$0.0	\$1.3	(\$0.3)	(\$0.2)	\$0.1	\$0.3
607 UNIVERSITY PERMANENT	\$0.0	\$0.0	(\$0.0)	(\$0.1)	(\$0.0)	\$0.0	\$0.1	\$0.1
	-----	-----	-----	-----	-----	-----	-----	-----
	\$0.0	\$0.0	\$0.9	\$0.3	(\$0.4)	(\$0.8)	\$0.2	\$0.4
TOTAL TO TRUST BENEFICIARY FUNDS	\$0.0	\$0.0	\$8.4	\$0.3	\$4.4	(\$7.2)	(\$0.1)	\$3.6
TOTAL ALL FUNDS	\$0.0	\$0.0	\$10.9	\$0.1	\$5.1	(\$9.8)	(\$0.4)	\$4.4

Notes:

- 1 - Excludes interest and trust land transfer monies, and includes operating transfers. Trust Land Transfer monies amounted to \$37.3 million in FY 1994-95, \$21.8 million in FY 1998-99, \$56.06 million in FY 2000-01, \$40.0 million in FY 2002-03 (provisional), and 42.8 million (estimate) in FY 2004-05, payable to the Common School Construction Fund.
- 2 - Upland RMCA does not include land bank transactions.
- 3 - Revenues reflect cash earnings from management activities only. Revenues from interest payments, fires assessments, permits, fees, etc. are not included.
- 4 - Totals may not add due to rounding.
- 5 - Projected values are forecast estimates and should be interpreted in conjunction with the accompanying forecast document. Unforeseen events and changes in future conditions may alter forecast estimates and results.
- 6 - Data for all years are cash estimates, and not directly comparable with accrual figures presented in DNR's Annual Reports.

Table A4: Percent change from February 2004 to June 2004 forecast-Projected trust revenues by fund and fiscal year, 2002-2009

Fiscal year		2002	2003	Projected 2004	Projected 2005	Projected 2006	Projected 2007	Projected 2008	Projected 2009
MANAGEMENT ACCOUNTS									
041	RMCA - UPLAND	0.0%	0.0%	4.5%	1.8%	-2.5%	-7.3%	0.1%	2.7%
041	RMCA - AQUATIC	0.0%	0.0%	-2.3%	-2.4%	-2.5%	-2.6%	-2.8%	-2.8%
014	FDA	0.0%	0.0%	8.0%	-2.3%	8.7%	-2.1%	-0.6%	1.9%
		-----	-----	-----	-----	-----	-----	-----	-----
		0.0%	0.0%	4.9%	-0.4%	1.4%	-4.7%	-0.6%	1.6%
CURRENT FUNDS									
113	COMMON SCHOOL CONSTRUCTION	0.0%	0.0%	4.5%	1.4%	-1.7%	-6.8%	-0.6%	1.5%
999	FOREST BOARD COUNTIES	0.0%	0.0%	6.4%	0.3%	12.0%	-1.6%	-0.8%	2.0%
001	GENERAL FUND	0.0%	0.0%	20.2%	-22.2%	-7.0%	-6.8%	-2.0%	-2.2%
348	UNIVERSITY BOND RETIREMENT	0.0%	0.0%	-3.0%	-28.4%	-6.0%	3.6%	33.9%	39.6%
347	WSU BOND REPAYMENT	0.0%	0.0%	0.0%	-0.4%	-0.4%	-0.4%	3.5%	4.1%
042	CEP&RI	0.0%	0.0%	8.2%	-9.1%	-11.5%	-13.1%	-0.3%	4.0%
036	CAPITOL BUILDING CONSTRUCTION	0.0%	0.0%	0.3%	8.5%	1.4%	-8.3%	2.1%	5.7%
061/3/5/6	NORMAL (CWU, EWU, WWU, TESC) SCHOOL	0.0%	0.0%	0.0%	-0.1%	-0.1%	-0.1%	2.6%	3.6%
	OTHER FUNDS	0.0%	0.0%	-2.3%	-31.0%	-8.2%	-13.0%	-6.2%	-0.4%
		-----	-----	-----	-----	-----	-----	-----	-----
		0.0%	0.0%	5.9%	-0.0%	3.9%	-4.7%	-0.2%	2.4%
AQUATIC LANDS ENHANCEMENT ACCOUNT									
02R	AQUATIC LANDS	0.0%	0.0%	0.4%	0.3%	0.2%	0.1%	-0.1%	-0.1%
PERMANENT FUNDS									
601	AGRICULTURAL COLLEGE	0.0%	0.0%	20.3%	-4.2%	4.8%	-1.5%	8.9%	7.6%
604	NORMAL SCHOOL PERMANENT	0.0%	0.0%	13.4%	-25.1%	-5.1%	-10.9%	-9.9%	-8.0%
605	COMMON SCHOOL PERMANENT	0.0%	0.0%	0.0%	-20.4%	-26.6%	-32.6%	-11.0%	-4.6%
606	SCIENTIFIC PERMANENT	0.0%	0.0%	1.3%	33.6%	-7.0%	-5.0%	1.5%	5.2%
607	UNIVERSITY PERMANENT	0.0%	0.0%	-1.9%	-25.7%	-5.0%	7.9%	33.8%	31.0%
		-----	-----	-----	-----	-----	-----	-----	-----
		0.0%	0.0%	8.9%	3.4%	-3.7%	-6.4%	1.6%	3.5%
	TOTAL TO TRUST BENEFICIARY FUNDS	0.0%	0.0%	5.7%	0.2%	3.0%	-4.5%	-0.0%	2.3%
	TOTAL ALL FUNDS	0.0%	0.0%	5.5%	0.1%	2.6%	-4.6%	-0.2%	2.1%

Notes:

- 1 - Excludes interest and trust land transfer monies, and includes operating transfers. Trust Land Transfer monies amounted to \$37.3 million in FY 1994-95, \$21.8 million in FY 1998-99, \$56.06 million in FY 2000-01, \$40.0 million in FY 2002-03 (provisional), and 42.8 million (estimate) in FY 2004-05, payable to the Common School Construction Fund.
- 2 - Upland RMCA does not include land bank transactions.
- 3 - Revenues reflect cash earnings from management activities only. Revenues from interest payments, fires assessments, permits, fees, etc. are not included.
- 4 - Totals may not add due to rounding.
- 5 - Projected values are forecast estimates and should be interpreted in conjunction with the accompanying forecast document. Unforeseen events and changes in future conditions may alter forecast estimates and results.
- 6 - Data for all years are cash estimates, and not directly comparable with accrual figures presented in DNR's Annual Reports.

Table A5: Revenue projections by fund and biennium, June 2004 forecast, 1995-2009 (\$millions)

Fiscal years	1995-97	1997-99	1999-2001	2001-2003	Biennium to 03/31/04	Projected 2003-2005	Projected 2005-2007	Projected 2007-2009
MANAGEMENT ACCOUNTS								
041 RMCA - UPLAND	\$79.9	\$65.4	\$55.7	\$41.6	\$17.7	\$47.4	\$49.6	\$55.0
041 RMCA - AQUATIC	\$10.0	\$11.3	\$12.5	\$14.1	\$4.8	\$15.4	\$16.5	\$16.5
014 FDA	\$74.2	\$56.9	\$46.9	\$40.0	\$17.2	\$40.0	\$38.2	\$36.7
	-----	-----	-----	-----	-----	-----	-----	-----
	\$164.1	\$133.6	\$115.1	\$95.7	\$39.7	\$102.8	\$104.3	\$108.2
CURRENT FUNDS								
113 COMMON SCHOOL CONSTRUCTION	\$166.4	\$133.6	\$118.3	\$85.1	\$36.0	\$101.8	\$108.3	\$117.0
999 FOREST BOARD COUNTIES	\$195.1	\$172.9	\$145.0	\$117.1	\$51.6	\$118.8	\$115.7	\$112.5
001 GENERAL FUND	\$14.4	\$11.7	\$9.1	\$8.4	\$4.3	\$8.6	\$6.3	\$4.8
348 UNIVERSITY BOND RETIREMENT	\$4.3	\$3.3	\$1.4	\$1.3	\$0.5	\$1.1	\$2.1	\$3.3
347 WSU BOND REPAYMENT	\$0.9	\$1.1	\$1.2	\$1.6	\$0.8	\$1.7	\$2.0	\$2.2
042 CEP&RI	\$17.3	\$10.4	\$9.0	\$8.2	\$5.2	\$10.0	\$7.1	\$8.3
036 CAPITOL BUILDING CONSTRUCTION	\$11.5	\$13.8	\$14.7	\$12.8	\$3.5	\$12.4	\$15.3	\$17.0
061/3/5/6 NORMAL (CWU, EWU, WWU, TESC) SCHOOL	\$0.2	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2
OTHER FUNDS	\$0.1	\$0.2	\$0.1	\$0.3	\$0.1	\$0.2	\$0.2	\$0.2
	-----	-----	-----	-----	-----	-----	-----	-----
	\$410.2	\$347.2	\$298.9	\$234.8	\$102.0	\$254.8	\$257.2	\$265.5
AQUATIC LANDS ENHANCEMENT ACCOUNT								
02R AQUATIC LANDS	\$14.2	\$15.3	\$17.3	\$19.9	\$7.3	\$22.0	\$23.5	\$23.5
PERMANENT FUNDS								
601 AGRICULTURAL COLLEGE	\$9.6	\$7.0	\$4.4	\$4.0	\$1.8	\$5.4	\$7.7	\$7.7
604 NORMAL SCHOOL PERMANENT	\$7.5	\$7.1	\$9.8	\$6.8	\$2.7	\$5.1	\$5.1	\$4.6
605 COMMON SCHOOL PERMANENT	\$1.8	\$1.8	\$1.6	\$1.2	\$0.1	\$0.8	\$0.9	\$1.0
606 SCIENTIFIC PERMANENT	\$15.0	\$14.8	\$9.3	\$7.1	\$2.7	\$8.7	\$7.9	\$11.0
607 UNIVERSITY PERMANENT	\$4.8	\$2.9	\$1.6	\$1.0	\$0.4	\$0.7	\$0.6	\$0.9
	-----	-----	-----	-----	-----	-----	-----	-----
	\$38.7	\$33.6	\$26.7	\$20.1	\$7.7	\$20.7	\$22.2	\$25.3
TOTAL TO TRUST BENEFICIARY FUNDS	\$463.1	\$396.1	\$342.9	\$274.8	\$117.0	\$297.5	\$302.9	\$314.3
TOTAL ALL FUNDS	\$627.1	\$529.7	\$458.1	\$370.5	\$156.6	\$400.4	\$407.2	\$422.5

Notes:

- 1 - Excludes interest and trust land transfer monies, and includes operating transfers. Trust Land Transfer monies amounted to \$37.3 million in FY 1994-95, \$21.8 million in FY 1998-99, \$56.06 million in FY 2000-01, \$40.0 million in FY 2002-03 (provisional), and 42.8 million (estimate) in FY 2004-05, payable to the Common School Construction Fund.
- 2 - Upland RMCA does not include land bank transactions.
- 3 - Revenues reflect cash earnings from management activities only. Revenues from interest payments, fires assessments, permits, fees, etc. are not included.
- 4 - Totals may not add due to rounding.
- 5 - Projected values are forecast estimates and should be interpreted in conjunction with the accompanying forecast document. Unforeseen events and changes in future conditions may alter forecast estimates and results.
- 6 - Data for all years are cash estimates, and not directly comparable with accrual figures presented in DNR's Annual Reports.

APPENDIX: Recalculation of the sustainable harvest

Preliminary analysis: Implementing the 'preferred alternative'

As noted, sales volume estimates for the later years of the forecast likely will change following recalculation of the sustainable harvest. A 'preferred alternative' has been identified by the Board of Natural Resources (BNR) in the draft Final Environmental Impact Statement supporting the recalculation process (<http://www.dnr.wa.gov/htdocs/fr/sales/sustainharvest/sustainharvest.html>). The 'preferred alternative' calls for increased timber sales volumes in western Washington, increasing the statewide average annual timber sales volume for the first 10-year period to 749MMbf per year from the present 560MMbf/year.

While the 'preferred alternative' has yet to be adopted by the BNR, a scenario was compiled incorporating increased timber sales volumes in order to estimate indicative impacts on the department's revenue forecast. For this purpose, it was assumed that timber sales volumes would be increased over a 5-year period, starting in FY 2006. It was further assumed that 5% of the sale volume would not sell in any one fiscal year, and that the average timber sale contract length was shortened to 18 months. All other aspects of the June 2004 forecast remained unchanged.

This scenario most likely sketches an upper bound for estimated timber removal revenues, and the results of analyzing this scenario are shown in the following tables. The first pair of tables illustrates the impacts on timber revenues and shows that the effects of the increases in timber sales volumes start to appear from about FY 2007 onwards, as a consequence of timber removal receipts lagging timber sales volumes. By FY 2009, timber revenues derived from the increasing sales volumes are estimated to reach about \$215 million, an increase of some \$51 million over the June 2004 forecast. The final table illustrates how the increased timber removal revenues are distributed over the various funds, relative to the June 2004 forecast.

Table 1a: Projected trust land timber sales, removals and revenues for 5-year implementation of the 'Preferred alternative' under the recalculated sustainable harvest

Fiscal year		Projected 2004	Projected 2005	Projected 2006	Projected 2007	Projected 2008	Projected 2009
Sold timber sales	Volume (mmbf)	551	542	597	649	680	720
	Price (\$/mbf)	\$285	\$290	\$280	\$285	\$305	\$315
Ending uncut inventory under contract	Volume (mmbf)	689	714	741	754	774	798
	Value (\$millions)	\$190.5	\$205.0	\$210.4	\$215.8	\$229.6	\$241.8
	Price (\$/mbf)	\$276	\$287	\$284	\$286	\$297	\$303
Timber removals	Volume (mmbf)	634	518	570	637	660	696
	Price (\$/mbf)	\$278	\$275	\$284	\$282	\$293	\$309
Timber removal revenue (\$millions)		\$176.1	\$142.6	\$161.9	\$179.7	\$193.7	\$214.6

Note: Totals may not add due to rounding

Table 1b: Change from June 2004 forecast

Fiscal year		Projected 2004	Projected 2005	Projected 2006	Projected 2007	Projected 2008	Projected 2009
Sold timber sales	Volume (mmbf)	(9)	(18)	37	89	123	163
	Price (\$/mbf)	\$0	\$0	\$0	\$0	\$0	\$0
Ending uncut inventory under contract	Volume (mmbf)	(35)	(36)	(21)	(20)	1	27
	Value (\$millions)	(\$10.4)	(\$10.5)	(\$4.2)	(\$1.8)	\$1.1	\$1.7
	Price (\$/mbf)	(\$1)	(\$0)	\$2	\$5	\$1	(\$9)
Timber removals	Volume (mmbf)	26	(17)	22	89	101	137
	Price (\$/mbf)	\$1	(\$1)	(\$4)	(\$4)	\$9	\$15
Timber removal revenue (\$millions)		\$7.8	(\$5.1)	\$4.1	\$23.1	\$34.7	\$50.7

Note: Totals may not add due to rounding

Table A3: Change from June 2004 forecast to June 2004 forecast based on 'Preferred alternative' of recalculated sustainable harvest-Projected trust revenues by fund and fiscal year, 2002-2009 (\$millions)

Fiscal year	Projected 2004	Projected 2005	Projected 2006	Projected 2007	Projected 2008	Projected 2009
MANAGEMENT ACCOUNTS						
041 RMCA - UPLAND	\$0.9	(\$0.6)	\$0.8	\$3.6	\$4.9	\$6.6
041 RMCA - AQUATIC	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
014 FDA	\$1.0	(\$0.7)	(\$0.0)	\$1.8	\$3.4	\$5.6
	-----	-----	-----	-----	-----	-----
	\$1.9	(\$1.3)	\$0.8	\$5.4	\$8.3	\$12.2
CURRENT FUNDS						
113 COMMON SCHOOL CONSTRUCTION	\$1.8	(\$1.1)	\$1.9	\$6.6	\$7.7	\$10.5
999 FOREST BOARD COUNTIES	\$2.9	(\$1.9)	\$0.5	\$6.5	\$11.5	\$18.1
001 GENERAL FUND	\$0.2	(\$0.1)	(\$0.3)	(\$0.3)	\$0.0	\$0.6
348 UNIVERSITY BOND RETIREMENT	\$0.0	(\$0.0)	\$0.2	\$0.6	\$0.4	\$0.2
347 WSU BOND REPAYMENT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
042 CEP&RI	\$0.2	(\$0.1)	\$0.0	\$0.5	\$0.9	\$1.4
036 CAPITOL BUILDING CONSTRUCTION	\$0.3	(\$0.2)	\$0.3	\$1.7	\$2.8	\$3.8
061/3/5/6 NORMAL (CWU, EWU, WWU, TESC) SCHOOL	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
OTHER FUNDS	\$0.0	(\$0.0)	(\$0.0)	(\$0.0)	\$0.1	\$0.1
	-----	-----	-----	-----	-----	-----
	\$5.4	(\$3.6)	\$2.7	\$15.5	\$23.5	\$34.6
AQUATIC LANDS ENHANCEMENT ACCOUNT						
02R AQUATIC LANDS	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
PERMANENT FUNDS						
601 AGRICULTURAL COLLEGE	\$0.1	(\$0.0)	\$0.6	\$0.7	\$0.1	(\$0.0)
604 NORMAL SCHOOL PERMANENT	\$0.2	(\$0.1)	(\$0.2)	(\$0.0)	\$0.4	\$0.9
605 COMMON SCHOOL PERMANENT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
606 SCIENTIFIC PERMANENT	\$0.2	(\$0.1)	\$0.2	\$1.3	\$2.2	\$2.8
607 UNIVERSITY PERMANENT	\$0.0	(\$0.0)	\$0.0	\$0.1	\$0.2	\$0.2
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	\$0.5	(\$0.3)	\$0.6	\$2.1	\$2.9	\$3.9
TOTAL TO TRUST BENEFICIARY FUNDS	\$5.9	(\$3.9)	\$3.3	\$17.7	\$26.3	\$38.5
TOTAL ALL FUNDS	\$7.8	(\$5.1)	\$4.1	\$23.1	\$34.7	\$50.7

Notes:

- 1 - Excludes interest and trust land transfer monies, and includes operating transfers. Trust Land Transfer monies amounted to \$37.3 million in FY 1994-95, \$21.8 million in FY 1998-99, \$56.06 million in FY 2000-01, \$40.0 million in FY 2002-03 (provisional), and 42.8 million (estimate) in FY 2004-05, payable to the Common School Construction Fund.
- 2 - Upland RMCA does not include land bank transactions.
- 3 - Revenues reflect cash earnings from management activities only. Revenues from interest payments, fires assessments, permits, fees, etc. are not included.
- 4 - Totals may not add due to rounding.
- 5 - Projected values are forecast estimates and should be interpreted in conjunction with the accompanying forecast document. Unforeseen events and changes in future conditions may alter forecast estimates and results.
- 6 - Data for all years are cash estimates, and not directly comparable with accrual figures presented in DNR's Annual Reports.